

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

For the Year Ended December 31, 2002  
With Supplemental Information Schedules

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Mires & Company  
A Professional Corporation

Certified Public Accountants

Members:  
American Institute of Certified Public Accountants  
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Private Company Practice Section AICPA

## INDEPENDENT AUDITOR'S REPORT

Allen Parish Police Jury  
Oberlin, Louisiana

We have audited the accompanying primary government financial statements of the Allen Parish Police Jury, as of and for the year ended December 31, 2002 as listed in the table of contents. These financial statements are the responsibility of the Allen Parish Police Jury, management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Allen Parish Police Jury, as of December 31, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

However, the primary government financial statements, because they do not include the financial data of component units of the Allen Parish Police Jury, do not purport to, and do not, present fairly the financial position of the Allen Parish Police Jury, as of December 31, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2003, on our consideration of the Allen Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the primary government financial statements taken as a whole. The schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the primary government financial statements of the Allen Parish Police Jury. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the primary government financial statements of the Allen Parish Police Jury. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the primary government financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.

*Mires & Company, CPAs, APC*  
Mires & Company, CPAs, APC  
June 25, 2003

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS  
Balance Sheet, December 31, 2002

	GOVERNMENTAL FUNDS				FIDUCIARY FUNDS		ACCOUNT GROUPS		TOTALS	
	General	Special Revenue	Debt Service	Capital Projects	Agency Fund	General Fixed Assets	Long-Term Obligations	(Memorandum Only)		
								2002	2001	
ASSETS AND OTHER DEBITS										
Assets:										
Cash .....	\$ 288,869	\$ 2,730,002	\$ 5,999	\$ 1,076,206	\$ 168,803	\$ -	\$ -	\$ 4,269,879	\$ 4,389,515	
Receivables .....	400,089	2,065,488	-	132,999	-	-	-	2,598,576	2,525,870	
Due from other funds .....	14,286	-	-	-	-	-	-	14,286	-	
Fixed assets .....	-	-	-	-	-	11,752,828	-	11,752,828	10,653,530	
Other Debits:										
Amount available in debt service funds .....	-	-	-	-	-	-	5,999	5,999	4,604	
Amount to be provided for retirement of general long-term obligations .....	-	-	-	-	-	-	-	3,402,824	2,688,182	
TOTAL ASSETS AND OTHER DEBITS	\$ 703,244	\$ 4,795,490	\$ 5,999	\$ 1,209,205	\$ 168,803	\$ 11,752,828	\$ 3,408,823	\$ 22,044,392	\$ 20,261,701	
LIABILITIES, EQUITY, AND OTHER CREDITS										
Liabilities:										
Accounts payable .....	\$ 26,297	\$ 241,681	\$ -	\$ 108,596	\$ -	\$ -	\$ -	\$ 376,574	\$ 294,868	
Due to other funds .....	-	14,286	-	-	-	-	-	14,286	-	
Due to other governments .....	-	-	-	-	168,803	-	-	168,803	210,708	
Capital lease payable .....	-	-	-	-	-	-	30,775	30,775	47,653	
Compensated absences payable .....	-	-	-	-	-	-	103,048	103,048	90,133	
General obligation bonds payable .....	-	-	-	-	-	-	3,275,000	3,275,000	2,555,000	
Total Liabilities	26,297	255,967	-	108,596	168,803	-	3,408,823	3,968,486	3,198,362	
Equity and Other Credits:										
Investment in general fixed assets .....	-	-	-	-	-	11,752,828	-	11,752,828	10,653,530	
Fund Balances:										
Reserved for debt service .....	-	-	5,999	-	-	-	-	5,999	4,604	
Unreserved - undesignated .....	676,947	4,539,523	-	1,100,609	-	-	-	6,317,079	6,405,205	
Total Equity and Other Credits	676,947	4,539,523	5,999	1,100,609	-	11,752,828	-	18,075,906	17,063,339	
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS										
	\$ 703,244	\$ 4,795,490	\$ 5,999	\$ 1,209,205	\$ 168,803	\$ 11,752,828	\$ 3,408,823	\$ 22,044,392	\$ 20,261,701	

The accompanying notes are an integral part of this statement.

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2002

REVENUES	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTALS (Memorandum Only)	
					2002	2001
Taxes:						
Ad valorem	\$ 194,146	\$ 1,773,558	\$ -	\$ -	\$ 1,967,704	\$ 1,976,896
Sales and use	-	1,348,848	-	304,643	1,653,491	1,616,624
Other taxes, penalties, interest, etc	6,853	-	-	-	6,853	3,777
Licenses and permits	42,344	-	-	-	42,344	42,671
Intergovernmental revenues:						
Federal grants	390,391	-	-	-	390,391	21,600
State funds:						
Parish transportation funds	-	256,124	-	-	256,124	252,676
State revenue sharing (net)	18,464	161,904	-	-	180,368	179,214
Severance taxes	917,867	-	-	-	917,867	975,976
Other state funds	81,228	-	-	-	81,228	96,699
Grants	20,479	-	-	-	20,479	28,527
Other	-	25,000	-	20,747	45,747	67,219
Fees, charges, and commissions for services	97,792	-	-	-	97,792	166,895
Fines and forfeitures	-	341,361	-	-	341,361	360,760
Gaming revenues	-	985,882	-	-	985,882	835,439
Use of money and property	7,324	72,979	1,382	-	101,835	129,353
Other revenues	42,087	17,151	22,516	20,150	81,754	97,907
TOTAL REVENUES	1,818,975	4,982,807	23,898	345,540	7,171,220	6,852,233
EXPENDITURES						
General government:						
Legislative	168,758	-	-	-	168,758	161,786
Judicial	173,729	364,938	-	-	538,667	603,567
Executive	-	-	-	-	-	-
Elections	32,835	-	-	-	32,835	27,903
Financial and administrative	111,548	-	-	-	111,548	98,570
Other	378,359	207,496	116,005	-	701,860	716,212
Public safety	284,821	-	-	-	284,821	169,368
Public works	-	4,381,009	-	-	4,381,009	3,773,030
Health and welfare	3,644	-	-	-	3,644	3,804
Intergovernmental	36,977	55,863	-	-	92,840	158,695
Culture and recreation	116	-	-	-	116	157
Economic development and assistance	518,571	-	-	-	518,571	243,657
Debt service	16,878	165,000	465,000	-	646,878	551,006
Capital outlay	47,643	115,308	-	-	1,140,498	390,589
TOTAL EXPENDITURES	1,773,879	5,289,614	581,005	977,547	8,622,045	6,898,344
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,096	(306,807)	(557,107)	(632,007)	(1,450,825)	(46,111)
Other financing sources (uses):						
Proceeds from bond issues and capital lease	-	-	169,000	1,183,973	1,352,973	-
Sales of assets	-	11,121	-	-	11,121	2,169
Operating transfers in	64,524	747,419	389,502	3,500	1,204,945	1,198,930
Operating transfers out	(789,632)	(146,911)	-	(268,402)	(1,204,945)	(1,198,930)
TOTAL OTHER FINANCING SOURCES (USES)	(725,108)	611,629	558,502	919,071	1,364,094	2,169
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(680,012)	304,822	1,395	287,064	(86,731)	(43,942)
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	1,356,959	4,234,701	4,604	813,545	6,409,809	6,453,751
FUND BALANCES (DEFICIT) AT END OF YEAR	\$ 676,947	\$ 4,539,523	\$ 5,999	\$ 1,100,609	\$ 6,323,078	\$ 6,409,809

The accompanying notes are an integral part of this statement.

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
GOVERNMENTAL FUND - GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2002

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Taxes:			
Ad valorem .....	\$ 199,370	\$ 194,146	\$ (5,224)
Sales and use .....	-	-	-
Other taxes, penalties, interest, etc .....	6,800	6,853	53
Licenses and permits .....	42,343	42,344	1
Intergovernmental:			
Federal grants .....	391,583	390,391	(1,192)
State funds:			
State revenue sharing (net) .....	18,475	18,464	(11)
Severance taxes .....	941,845	917,867	(23,978)
Other state funds .....	29,095	81,228	52,133
Grants .....	20,480	20,479	(1)
Other .....	-	-	-
Fees, charges and commissions for services .....	205,205	97,792	(107,413)
Gaming revenues .....	-	-	-
Use of money and property .....	20,600	7,324	(13,276)
Other revenues .....	45,500	42,087	(3,413)
TOTAL REVENUES	1,921,296	1,818,975	(102,321)
EXPENDITURES			
General government:			
Legislative .....	168,100	168,758	(658)
Judicial .....	229,851	173,729	56,122
Elections .....	37,954	32,835	5,119
Financial and administrative .....	111,468	111,548	(80)
Other .....	384,942	378,359	6,583
Public safety .....	287,046	284,821	2,225
Health and welfare .....	3,644	3,644	-
Intergovernmental .....	25,000	36,977	(11,977)
Culture and recreation .....	150	116	34
Economic development and assistance .....	611,574	518,571	93,003
Debt service .....	13,508	16,878	(3,370)
Capital outlay .....	218,433	47,643	170,790
TOTAL EXPENDITURES	2,091,670	1,773,879	317,791
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(170,374)	45,096	215,470
Other financing sources (uses):			
Operating transfers in .....	-	64,524	64,524
Operating transfers out .....	(654,353)	(789,632)	(135,279)
TOTAL OTHER FINANCING SOURCES (USES)	(654,353)	(725,108)	(70,755)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(824,727)	(680,012)	144,715
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR .....	1,356,959	1,356,959	-
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 532,232	\$ 676,947	\$ 144,715

The accompanying notes are an integral part of this statement.



ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
GOVERNMENTAL FUND - SPECIAL REVENUE FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2002

SPECIAL REVENUE FUNDS			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes:			
Ad valorem .....	\$ 1,890,446	\$ 1,773,558	\$ (116,888)
Sales and use .....	1,349,630	1,348,848	(782)
Intergovernmental:			
State funds:			
Parish transportation funds .....	254,122	256,124	2,002
State revenue sharing (net) .....	160,972	161,904	932
Other .....	-	25,000	25,000
Fines and forfeitures .....	341,600	341,361	(239)
Gaming revenues .....	995,882	985,882	(10,000)
Use of money and property .....	106,699	72,979	(33,720)
Other revenues .....	27,587	17,151	(10,436)
TOTAL REVENUES	<u>5,126,938</u>	<u>4,982,807</u>	<u>(144,131)</u>
EXPENDITURES			
General government:			
Judicial .....	396,072	364,938	31,134
Other .....	244,873	207,496	37,377
Public works .....	5,102,909	4,381,009	721,900
Intergovernmental .....	-	55,863	(55,863)
Debt service .....	-	165,000	(165,000)
Capital outlay .....	2,218,329	115,308	2,103,021
TOTAL EXPENDITURES	<u>7,962,183</u>	<u>5,289,614</u>	<u>2,672,569</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,835,245)</u>	<u>(306,807)</u>	<u>2,528,438</u>
Other financing sources (uses):			
Sales of assets .....	-	11,121	11,121
Operating transfers in .....	658,015	747,419	89,404
Operating transfers out .....	(282,217)	(146,911)	135,306
TOTAL OTHER FINANCING SOURCES (USES)	<u>375,798</u>	<u>611,629</u>	<u>235,831</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(2,459,447)</u>	<u>304,822</u>	<u>2,764,269</u>
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR .....	<u>4,234,701</u>	<u>4,234,701</u>	<u>-</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ 1,775,254</u>	<u>\$ 4,539,523</u>	<u>\$ 2,764,269</u>

The accompanying notes are an integral part of this statement.



ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
GOVERNMENTAL FUND - DEBT SERVICE FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2002

	DEBT SERVICE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes:			
Ad valorem .....	\$ -	\$ -	\$ -
Sales and use .....	-	-	-
Other taxes, penalties, interest, etc .....	-	-	-
Licenses and permits .....	-	-	-
Intergovernmental:			
Federal grants .....	-	-	-
State funds:			
Parish transportation funds .....	-	-	-
State revenue sharing (net) .....	-	-	-
Severance taxes .....	-	-	-
Other state funds .....	-	-	-
Grants .....	-	-	-
Fees, charges and commissions for services .....	-	-	-
Fines and forfeitures .....	-	-	-
Gaming revenues .....	-	-	-
Joint service agreement .....	-	-	-
Use of money and property .....	204	1,382	1,178
Other revenues .....	22,516	22,516	-
TOTAL REVENUES	22,720	23,898	1,178
EXPENDITURES			
General government:			
Legislative .....	-	-	-
Judicial .....	-	-	-
Executive .....	-	-	-
Elections .....	-	-	-
Financial and administrative .....	-	-	-
Other .....	-	116,005	(116,005)
Public safety .....	-	-	-
Public works .....	-	-	-
Health and welfare .....	-	-	-
Intergovernmental .....	-	-	-
Culture and recreation .....	-	-	-
Economic development and assistance .....	-	-	-
Debt service .....	545,559	465,000	80,559
Capital outlay .....	56,759	-	56,759
TOTAL EXPENDITURES	602,318	581,005	21,313
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(579,598)	(557,107)	22,491
Other financing sources (uses):			
Proceeds from bond issues and capital lease .....	-	169,000	169,000
Operating transfers in .....	523,043	389,502	(133,541)
TOTAL OTHER FINANCING SOURCES (USES)	523,043	558,502	35,459
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(56,555)	1,395	57,950
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR .....	4,604	4,604	-
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (51,951)	\$ 5,999	\$ 57,950

The accompanying notes are an integral part of this statement.

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
GOVERNMENTAL FUND - CAPITAL PROJECTS FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2002

CAPITAL PROJECTS FUNDS			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes:			
Ad valorem .....	\$ -	\$ -	\$ -
Sales and use .....	227,000	304,643	77,643
Other taxes, penalties, interest, etc .....	-	-	-
Licenses and permits .....	-	-	-
Intergovernmental:			
Federal grants .....	-	-	-
State funds:			
Parish transportation funds .....	-	-	-
State revenue sharing (net) .....	-	-	-
Severance taxes .....	-	-	-
Other state funds .....	-	-	-
Grants .....	-	-	-
Other .....	-	20,747	20,747
Fees, charges and commissions for services .....	-	-	-
Fines and forfeitures .....	-	-	-
Gaming revenues .....	-	-	-
Joint service agreement .....	-	-	-
Use of money and property .....	18,876	20,150	1,274
Other revenues .....	15,000	-	(15,000)
TOTAL REVENUES	260,876	345,540	84,664
EXPENDITURES			
General government:			
Legislative .....	-	-	-
Judicial .....	-	-	-
Executive .....	-	-	-
Elections .....	-	-	-
Financial and administrative .....	-	-	-
Other .....	-	-	-
Public safety .....	-	-	-
Public works .....	-	-	-
Health and welfare .....	-	-	-
Intergovernmental .....	166,125	-	166,125
Culture and recreation .....	-	-	-
Economic development and assistance .....	-	-	-
Debt service .....	-	-	-
Capital outlay .....	2,061,457	977,547	1,083,910
TOTAL EXPENDITURES	2,227,582	977,547	1,250,035
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,966,706)	(632,007)	1,334,699
Other financing sources (uses):			
Proceeds from bond issues and capital lease .....	1,030,588	1,183,973	153,385
Operating transfers in .....	-	3,500	3,500
Operating transfers out .....	(228,297)	(268,402)	(40,105)
TOTAL OTHER FINANCING SOURCES (USES)	802,291	919,071	116,780
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,164,415)	287,064	1,451,479
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR .....	813,545	813,545	-
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (350,870)	\$ 1,100,609	\$ 1,451,479

The accompanying notes are an integral part of this statement.

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
Primary Government Financial Statements  
As of and for the Year Ended December 31, 2002

**INTRODUCTION**

The Allen Parish Police Jury is the governing authority for Allen Parish and is a political subdivision of the State of Louisiana. The police jury is governed by seven jurors representing the various districts within the parish. The jurors serve four-year terms that expire on January 1, 2004.

Louisiana Revised Statute (R.S.) 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, gaming revenues, and various other state and federal grants.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Allen Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the police jury has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Allen Action Agency, Inc.	June 30	1
Allen Parish Clerk of Court	June 30	2 and 3
Allen Parish Library	December 31	1 and 3
Allen Parish Mosquito Abatement District	December 31	1 and 3
Allen Parish Sheriff	June 30	2 and 3
Allen Parish Tax Assessor	December 31	2 and 3
Allen Parish Tourism Commission	December 31	1 and 3
Allen Parish Ward 3 Recreation District No. 6	September 30	1 and 3
Ambulance Service Dist. No. 1	December 31	1 and 3
Bayou Blue Gravity Drainage District No. 1	December 31	1 and 3
East Allen Parish Waterworks District	December 31	1 and 3
Elizabeth Recreation District No. 3	December 31	1 and 3
Fire District No. 1 of Allen Parish	December 31	1 and 3
Fire District No. 2 of Allen Parish	December 31	1 and 3
Fire District No. 3 of Allen Parish	December 31	1 and 3
Fire District No. 4 of Allen Parish	December 31	1 and 3
Fire District No. 5 of Allen Parish	December 31	1 and 3
Fire District No. 6 of Allen Parish	December 31	1 and 3
Gravity Drainage District No. 1	December 31	1 and 3
Gravity Drainage District No. 2	December 31	1 and 3
Hospital Service District No. 3	December 31	1 and 3
Oakdale Recreation District No. 1	December 31	1 and 3
Recreation District No. 2 of Allen Parish	December 31	1 and 3
Recreation District No. 4 of Allen Parish	December 31	1 and 3
Southwest Allen Parish Waterworks District	December 31	1 and 3
Thirty-Third Judicial District Criminal Court	December 31	2 and 3
Waterworks District No. 1	December 31	1 and 3
West Allen Parish Waterworks District	December 31	1 and 3

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, are included in the accompanying financial statements.

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The police jury maintained the accounting records of the Criminal Court Fund for the year ended December 31, 2002.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Considered in the determination of component units of the reporting entity were the Allen Parish School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Allen Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Allen Parish Police Jury.

**C. FUND ACCOUNTING**

The police jury uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the police jury are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds**

Governmental funds are used to account for all or most of the police jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

1. General Fund - the general operating fund of the police jury and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt service funds - account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Fiduciary Funds**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the police jury. Fiduciary funds include:

1. Agency funds - account for assets that the police jury holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Sales taxes are recognized in the month received by the police jury's collection agency, the Allen Parish School Board.

Federal and state grants are recorded when the police jury is entitled to the funds.

Interest income on interest bearing demand deposits is recorded at the end of the month when credited to the account.

Substantially all other revenues are recorded when they become available to the police jury.

Based on the above criteria, ad valorem taxes, state revenue sharing, sales taxes, and federal and state grants are treated as susceptible to accrual.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations, which are recognized when due.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Other Financing Sources (Uses)**

Proceeds from bonds and bank loans and transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses).

**E. BUDGETS**

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer beginning in October. The finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. Prior to its regular January meeting of the next year, the jury holds a public hearing on the proposed budgets in order to receive comments from citizens. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the regular January meeting, and notice is published in the official journal.

The secretary-treasurer presents necessary budget amendments to the jury when actual operations are differing materially from those anticipated in the original budget. The jury in regular session reviews the proposed amendments, makes necessary changes, and formally adopts the amendments. The adoption of amendments is included in jury minutes published in the official journal. The police jury exercises budgetary control at the functional level. Within functional levels, the secretary-treasurer has the authority to make amendments as necessary. The police jury does not utilize encumbrance accounting, however, the original budgets and any subsequent amendments are incorporated in the accounting system. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. For the year ended December 31, 2002, the police jury adopted budgets for the General Fund, all special revenues funds, all capital projects funds, and all debt service funds.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

**F. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**G. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the police jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**H. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. Construction period interest is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Approximately 43 percent of general fixed assets are valued at actual cost, while the remaining 57 percent of general fixed assets are valued at estimated historical cost based on the actual cost of like items.

**I. COMPENSATED ABSENCES**

The police jury has the following policy relating to vacation and sick leave:

Employees of the Allen Parish Police Jury receive from 5 to 20 days of vacation leave each year, depending on their length of service. Until January 10, 2000 vacation leave could be accumulated without limitation. After that date vacation leave must be used in the year earned or it is forfeited. Vacation leave accumulated up to January 10, 2000 has been recorded in the general long-term debt account group. In addition, police jury employees earn up to 13 days of sick leave each year. Sick leave can be accumulated without limitation; however, accumulated sick leave is forfeited upon termination of employment.

Employees of the Thirty-Third Judicial District Criminal Court earn a maximum of 10 days of vacation leave and 5 days of sick leave each year, depending on their length of service. Vacation and sick leave do not accumulate and employees cannot be paid for unused leave upon termination of employment.

Permanent employees of the Allen Parish Police Jury earn compensatory time at the rate of 1.5 per hour for overtime hours worked. Unused compensatory time at the time of termination will be paid to the employee at that time. This liability has been recorded in the general long-term debt account group.

At December 31, 2002, employee leave benefits other than compensatory time and vacation leave, requiring recognition in accordance with GASB Statement No. 16, were determined to be immaterial and are not included within the general long-term obligations account group. The cost of leave privileges, computed in accordance with GASB Statement No. 16, is recognized as a current-year expenditure within the various funds when leave is actually taken.

**J. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

**K. INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**L. SALES TAXES**

On September 29, 1984, voters of the parish approved a seven-tenths of one per cent sales tax, which is dedicated to the collection and disposal of solid waste. The tax is for a fifteen year period and expires on November 30, 1999. Effective January 1, 1985, the jury entered into an agreement with the Allen Parish School Board whereby the school board will provide collection services for a fee of two percent of total collections. On November 20, 1999, voters of the parish renewed this tax for a fifteen year period and the tax expires on November 30, 2014.

**M. TOTAL COLUMNS ON COMBINED STATEMENTS**

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - LEVIED TAXES**

The following is summary of authorized and levied ad valorem taxes for the year:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish wide taxes:			
General	3.50	3.50	-
Special revenue funds:			
Courthouse and Jail Maintenance	3.07	3.07	2004
District Maintenance taxes:			
No. 1	9.16	9.16	2011
No. 1	21.47	21.47	2005
No. 1A	8.10	8.10	2005
No. 2	7.10	7.10	2010
No. 2	15.39	15.39	2011
No. 3	8.95	8.95	2011
No. 3	11.15	11.15	2009
No. 3	34.77	34.77	2005
No. 4	30.91	30.91	2005
No. 4	21.64	21.64	2005
No. 5	5.12	5.12	2012
No. 5A	3.06	3.06	2005

**NOTE 2 - LEVIED TAXES**

The following are the principal taxpayers for the parish and related ad valorem tax revenue for the police jury:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Cleco Corporation	Utility	\$ 3,848,620	6.17%
Transcontinental Gas	Utility	3,149,830	5.05%
Texas Eastern	Utility	3,047,650	4.88%
Total		<u>\$10,046,100</u>	<u>16.10%</u>

**NOTE 3 - CASH AND CASH EQUIVALENTS**

At December 31, 2002, the police jury has cash and cash equivalents (book balances) totaling \$4,269,879 as follows:

Demand deposits .....	\$ 6,994
Interest-bearing demand deposits .....	3,882,082
Time deposits .....	380,803
Other .....	-
Total .....	<u>\$ 4,269,879</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2002, the police jury has \$4,367,667 in deposits (collected bank balances). These deposits are secured from risk by \$305,824 of federal deposit insurance and \$4,061,843 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No.3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4 - RECEIVABLES**

The following is a summary of receivables at December 31, 2002:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>
Taxes:			
Ad valorem .....	\$ 179,073	\$ 1,677,019	\$ -
Sales and use .....	-	101,974	-
Other .....	-	-	132,999
Grants:			
State .....	218,552	149,489	-
Other .....	2,464	137,006	-
Total	<u>\$ 400,089</u>	<u>\$ 2,065,488</u>	<u>\$ 132,999</u>

**NOTE 4 - RECEIVABLES**

Uncollectible amounts due for property taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectable. This method does not result in a charge to bad debts that is materially different from the amount that would be charged if the reserve method were used.

**NOTE 5 - FIXED ASSETS**

The changes in general fixed assets follow:

	Balance Jan. 1, 2002	Additions	Deletions	Balance Dec. 31, 2002
Land .....	\$ 1,113,600	\$ -	\$ -	\$ 1,113,600
Buildings .....	3,295,611	3,674,117	-	6,969,728
Equipment .....	2,555,224	110,961	(44,200)	2,621,985
Furniture and fixtures .....	129,707	60,000	-	189,707
Construction in progress .....	<u>3,559,388</u>	<u>857,809</u>	<u>(3,559,389)</u>	<u>857,808</u>
Total	<u>\$10,653,530</u>	<u>\$ 4,702,887</u>	<u>\$ (3,603,589)</u>	<u>\$ 11,752,828</u>

**NOTE 6 - PENSION PLAN**

*Plan Description.* Substantially all employees of the Allen Parish Police Jury are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

**NOTE 6 - PENSION PLAN**

*Funding Policy.* Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Allen Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Allen Parish Police Jury are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Allen Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2002, 2001, and 2000 were \$71,184, \$68,833, and \$72,334, respectively, equal to the required contributions for each year.

**NOTE 7 - POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The police jury provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the police jury's employees become eligible for these benefits if they reach normal retirement age while working for the police jury. Benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the police jury. The police jury recognizes the cost of providing these benefits (police jury's portion of premiums) as an expenditure when paid during the year, which was \$17,310 for 2002 and \$21,089 for 2001. The cost of retiree benefits was \$9,271 for 2002 and \$10,544 for 2001. There were 4 retirees receiving benefits in 2002.

**NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$376,574 at December 31, 2002, are as follows:

<u>Class of Payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>
Salaries .....	\$ 3,377	\$ 32,767	\$ -
Accounts .....	16,271	151,980	108,596
Other .....	6,649	56,934	-
Total	<u>\$ 26,297</u>	<u>\$ 241,681</u>	<u>\$ 108,596</u>

**NOTE 9 - COMPENSATED ABSENCES**

At December 31, 2002, employees of the police jury have accumulated and vested \$103,048 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$103,048 is recorded within the general long-term obligations account group.

**NOTE 10- LEASES**

The police jury records items under capital leases as assets and obligations in the accompanying financial statements. The following is an analysis of capital leases at December 31, 2002:



**NOTE 10- LEASES**

<u>Type</u>	<u>Recorded Amount</u>
Equipment .....	<u>\$ 120,972</u>

The following is a schedule of future minimum lease payments under capital leases and the present value of the net minimum lease payments as of December 31, 2002:

<u>Fiscal Year</u>	<u>Equipment</u>
2003 .....	\$ 19,572
2004 .....	<u>13,047</u>
Total minimum lease payments	32,619
Less-amount representing interest .....	<u>1,844</u>
Present value of net minimum lease payments	<u>\$ 30,775</u>

**NOTE 11- CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligation transactions for the year ended December 31, 2002:

	<u>Bonded Debt</u>	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations payable at January 1, 2002 ...	\$ 2,555,000	\$ 47,653	\$ 90,133	\$ 2,692,786
Additions .....	1,350,000	-	12,915	1,362,915
Deductions .....	<u>(630,000)</u>	<u>(16,878)</u>	<u>-</u>	<u>(646,878)</u>
Long-term obligations payable at December 31, 2002 .	<u>\$ 3,275,000</u>	<u>\$ 30,775</u>	<u>\$ 103,048</u>	<u>\$ 3,408,823</u>

General obligation bonds, certificates of indebtedness, et cetera, are comprised of the following individual issues:

Road District No. 3 certificate of indebtedness - \$800,000 issue of April 1, 1996 due in annual installments of \$45,000 to \$105,000 through March 1, 2006, with interest at 5.25%. Debt retirement payments are made from the Road District No. 3 Debt Service Fund .....	\$ 380,000
Road District No. 4 certificate of indebtedness- \$250,000 issue of April 1, 1999 due in annual installments of \$40,000 to \$60,000 through March 1, 2004, with interest at 4.50%. Debt retirement payments are made from the Road District No. 4 Debt Service Fund .....	115,000

**NOTE 11- CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

Court House Improvement certificate of indebtedness - \$1,700,000 issue of May 1, 1999 due in annual installment of \$135,000 to \$210,000 through February 1, 2009, with interest at 5.06%. Debt retirement payments are made from the Court House Improvement 1999 Debt Service Fund .....	\$1,275,000
Tourist Commission certificate of indebtedness - \$200,000 issue of February 1, 1999 due in annual installments of \$15,000 to \$25,000 through February 1, 2009, with interest at 4.63%. Debt retirement payments are made from the Tourist Commission Debt Service Fund .....	155,000
Certificate of indebtedness Series 2002-A - \$450,000 issue of August 1, 2002 due in annual installments of \$52,490 to \$58,630 through February 1, 2012, with interest at 4.40%. Debt retirement payments are made from the C.O.I. 2002-A Debt Service Fund .....	450,000
Certificate of indebtedness Series 2002-B - \$425,000 issue of August 1, 2002 due in annual installments of \$42,438 to \$64,113 through February 1, 2012, with interest at 4.50%. Debt retirement payments are made from the C.O.I. 2002-B Debt Service Fund .....	425,000
Certificate of indebtedness Series 2002-B - \$75,000 issue of August 1, 2002 due in annual installments of \$15,000 through August 1, 2007, with interest at 0%. Debt retirement payments are made from the C.O.I. 2002-B Debt Service Fund .....	75,000
Certificate of indebtedness Series 2002-C - \$400,000 issue of December 1, 2002 due in annual installments of \$43,125 to \$51,094 through March 1, 2012, with interest at 3.75%. Debt retirement payments are made from the C.O. I. 2002-C Debt Service Fund .....	<u>400,000</u>
Total certificates of indebtedness	<u>\$3,275,000</u>

At December 31, 2002, the police jury has accumulated \$5,999 in the debt service funds for future debt requirements. The annual requirements to amortize all certificates outstanding at December 31, 2002, including interest of \$610,069, are as follows:

Fiscal Year	C.O.I. Series 2002-A	C.O.I. Series 2002-B	C.O.I. Series 2002-B	C.O.I. Series 2002-C	Road Districts No. 3    No. 4 '99		Court House Improvement '99	Tourist Commission	Total
2003 .....	\$ 54,030	\$ 43,563	\$ 15,000	\$ 45,594	\$ 102,719	\$ 58,935	\$ 215,594	\$ 26,706	\$ 562,141
2004 .....	52,490	42,438	15,000	43,125	103,125	61,349	217,498	25,781	560,806
2005 .....	55,840	46,200	15,000	46,906	108,138	-	218,896	24,856	515,836
2006 .....	54,080	44,850	15,000	45,594	107,756	-	214,914	23,931	506,125
2007 .....	57,210	48,388	15,000	49,188	-	-	215,553	27,891	413,230
2008-2012 .	284,150	312,625	-	246,844	-	-	430,999	52,313	1,326,931
Total	<u>\$557,800</u>	<u>\$538,064</u>	<u>\$ 75,000</u>	<u>\$477,251</u>	<u>\$ 421,738</u>	<u>\$ 120,284</u>	<u>\$ 1,513,454</u>	<u>\$ 181,478</u>	<u>\$3,885,069</u>



**NOTE 11- CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

Certificates of indebtedness are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 39:562, the police jury is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property in the parish. At December 31, 2002, the statutory limit is \$6,240,620.

**NOTE 12- CHANGES IN AGENCY FUND**

	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Assets:				
Cash .....	\$ 210,708	\$ 4,142	\$ 46,047	\$ 168,803
Total assets	<u>\$ 210,708</u>	<u>\$ 4,142</u>	<u>\$ 46,047</u>	<u>\$ 168,803</u>
Liabilities:				
Due to other governments .....	\$ 210,708	\$ 4,142	\$ 46,047	\$ 168,803
Total liabilities	<u>\$ 210,708</u>	<u>\$ 4,142</u>	<u>\$ 46,047</u>	<u>\$ 168,803</u>

**NOTE 13- CRIMINAL COURT FUND**

R.S. 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end be transferred to the parish General Fund. The following details the amount due at December 31, 2002:

Balance due at January 1, 2002 .....	\$ 38,960
Amount due for 2002 .....	<u>13,142</u>
Balance due at December 31, 2002 .....	<u>\$ 52,102</u>

The police jury does not intend to transfer the \$52,102 due to the General Fund because the police jury appropriated \$89,292 in prior years to eliminate the deficit in the Criminal Court Fund.

**NOTE 14- LITIGATION**

At December 31, 2002, the police jury is involved in ten lawsuits. In the opinion of legal counsel for the police jury, no estimate of loss can be made.

**NOTE 15- RISK MANAGEMENT**

The police jury is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The police jury maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the police jury. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**NOTE 16- GASB STATEMENT NO. 34**

The police jury is not required to implement GASB No. 34 until the period of January 1, 2004 to December 31, 2004.

**SUPPLEMENTAL INFORMATION SCHEDULES**

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
Supplemental Information Schedule  
Schedule of Compensation Paid Police Jurors  
For the Year Ended December 31, 2002

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, jurors receive \$1,200 per month.

Schedule of compensation paid to police jurors for the year ended December 31, 2002 is as follows:

	<u>2002</u>
R.E. Weatherford .....	\$ 14,400
Billy Reeves. ....	14,400
Andrew Hayes .....	14,400
John W. Strother, Jr. ....	14,400
A.M. Farris, Jr. ....	14,400
Matthew R. Hollins .....	14,400
Kenneth Hebert .....	<u>14,400</u>
Total	<u>\$100,800</u>

ALLEN PARISH POLICE JURY  
Supplemental Information Schedule

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2002

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Disbursements/ Expenditures</u>
U.S. Department of Housing and Urban Development Community Development Block Grants/State's Program* .....	14.228	\$ 358,608
<u>Other Federal Awards</u>		
U.S. Department of Transportation Airport Improvement Program .....	20.106	<u>35,460</u>
TOTAL FEDERAL AWARDS		<u>\$ 394,068</u>

\*Major federal financial assistance program

ALLEN PARISH POLICE JURY  
Supplemental Information Schedule

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2002

Note 1    General

The accompany schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the Allen Parish Police Jury. The Allen Parish Police Jury reporting entity is defined in Note 1 to the financial statements for the year ended December 31, 2002. All federal financial assistance received directly from federal agencies is included on the schedule. The Community Development Block Grant was considered a major federal program for the Allen Parish Police Jury.

Note 2    Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Allen Parish Police Jury and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
Supplemental Information Schedule  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2002

We have audited the primary government financial statements of the Allen Parish Police Jury as of and for the year ended December 31, 2002, and have issued our report dated June 25, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. Our audit of the financial statements as of December 31, 2002 resulted in an unqualified opinion.

**Section I Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

*a. Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control:

Material weakness(es) identified?   X   Yes        No

Reportable condition(s) identified  
that are not considered to be  
material weaknesses?        Yes   X   None reported

Noncompliance material to financial  
statements noted?        Yes   X   No

*b. Federal Awards*

Internal Control:

Material weakness(es) identified?        Yes   X   No

Reportable condition(s) identified  
that are not considered to be  
material weaknesses?        Yes   X   None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are  
required to be reported in accordance  
with section 510(a) of Circular A-133?        Yes   X   No

Identification of major programs:

CFDA Number

14.228

Names of Federal Program or Cluster

Community Development Block Grants/State's  
Program - U.S. Dept. of Housing & Urban Development

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
Supplemental Information Schedule  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2002

Dollar threshold used to distinguish  
between type A and B programs:

\$300,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

**Section II - Financial Statement Findings**

**2002-1 I/C (Material weakness)**

Segregation of duties: Because of the lack of a large staff, more specifically accounting personnel, there is a problem with segregation of duties necessary for proper controls. One person is currently performing the function of preparing disbursements, recording the disbursements in the journals, and posting to the general ledger. We do note that this situation is inherent to most entities of this type and is difficult to solve due to the funding limitations of the Police Jury. We recommend that the police jurors take an active interest in the review of all of the financial information. This was also a prior year finding.

**Section III - Federal Award Findings and Questioned Costs**

Audit findings required to be reported under section .510(a) of Circular A-133:

*There are no findings to be reported under this section at December 31, 2002.*



ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
Supplemental Information Schedule  
Management's Corrective Action Plan (Unaudited)  
For the Year Ended December 31, 2002

**Section I Internal Control and Compliance Material to the Financial Statements:**

**2002-1 I/C Segregation of duties:**

This is an ongoing finding that cannot be corrected due to lack of financial resources.

**Contact person**– Kenneth Hebert, President.

ALLEN PARISH POLICE JURY  
Oberlin, Louisiana  
Supplemental Information Schedule  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2002

**Section 1 - Internal Control and Compliance Material to the Financial Statements**

**2001-1 I/C (Ongoing finding) Segregation of duties:**

Corrective action taken - Due to lack of sufficient financial resources, this finding cannot be resolved. See 2002-1 I/C.

**2001-2 I/C (12/31/01) Cooperative endeavor agreements:**

**2001-1 C**

Inadequate cooperative endeavor agreements.

Corrective action taken - Yes.

**2001-2 C (12/31/01) Providing cover materials when installing culverts:**

Providing labor and materials at no cost in the installation of culverts.

Corrective action taken - Yes.

**INDEPENDENT AUDITOR'S REPORTS SECTION**



Mires & Company  
A Professional Corporation

Certified Public Accountants

Members:  
American Institute of Certified Public Accountants  
Society of Louisiana Certified Public Accountants  
Private Company Practice Section, AICPA

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Allen Parish Police Jury  
Oberlin, Louisiana

We have audited the primary government financial statements of the Allen Parish Police Jury, as of and for the year ended December 31, 2002, and have issued our report thereon dated June 25, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Allen Parish Police Jury's primary government financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Allen Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Allen Parish Police Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the primary government financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2002-1 I/C.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the primary government financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 2002-1 I/C to be a material weakness.

This report is intended solely for the information and use of management, the Allen Parish Police Jury, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Mires & Company, CPAs, APC*

Mires and Company, CPAs, APC  
June 25, 2003



Mires & Company  
A Professional Corporation

Certified Public Accountants

Members  
American Institute of Certified Public Accountants  
Society of Louisiana Certified Public Accountants  
Private Company Practice Section AICPA

REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133

Allen Parish Police Jury  
Oberlin, Louisiana

Compliance

We have audited the compliance of the Allen Parish Police Jury, Oberlin, Louisiana, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2002. Allen Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Allen Parish Police Jury's management. Our responsibility is to express an opinion on the Allen Parish Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Allen Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Allen Parish Police Jury's compliance with those requirements.

In our opinion, the Allen Parish Police Jury, Oberlin, Louisiana, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2002.

Internal Control Over Compliance

The management of the Allen Parish Police Jury, Oberlin, Louisiana, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Allen Parish Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being

audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, federal awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Mires & Company, CPAs, APC*

Mires & Company, CPAs, APC  
June 25, 2003